

To the Members of the California State Assembly:

I am returning Assembly Bill 969 without my signature.

Although increasing use tax reporting is desirable, I have concerns that the effective date of January 1, 2008 is too soon for taxpayers to compile adequate records of their purchases that are subject to the use tax for calendar year 2007. Further, I would like to see a plan to better educate taxpayers on the use tax, as I suspect that many taxpayers have little knowledge of the tax and may unknowingly fail to pay it.

Sincerely,

Arnold Schwarzenegger